who complained that the bank is not releasing the documents *(i.e.* power of attorney & Will) relating to his property at Malviya Nagar, Delhi even after full and final adjustment of the account. The said NPA account was settled by the Bank under its Recovery Policy and one of the terms of the settlement was that the securities held in the account were to be released only after full and final adjustment of the said account as well as other connected account of the borrowers/guarantors. The terms of the settlements were conveyed to the borrower & Guarantor Mr. S. K. Ohri vide Bank's advocate letter dated 06.10.2004. Though the settlement amount was received in the NPA account of M/s Kunal Construction Co., yet the property of Mr. Satish Ohri Guarantor could not be released because as per terms of the settlement, the other connected NPA account in the name of Smt. Janak Kumari was not adjusted. Since the connected account of Smt. Janak Kumari has now been adjusted on 14.07.2006 after settlement with the bank, the documents pertaining to the property of Mr. Satish Ohri shall be released after completion of procedural process at DRT in due course. The Guarantor Mr. S. K. Ohri has been separately informed to this effect.

Appointment of non-official directors of banks

1564. SHRI TARLOCHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) total number of non-official members appointed by Government on Board of Directors of all Nationalised Banks;

(b) what are the criteria to select them; the efforts made/proposed to be made by the Government in bringing in banking reforms in the country;

(c) whether there is any system to have check on the working of these non-official Directors; and

(d) the number of complaints against these Directors with the Ministry and action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) The Government has appointed twenty nine part-time non-official directors on the Board of Directors of Nationalised Banks under Section 9(3)(h) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980 during the last one year.

(b) The guidelines/criteria adopted for appointment of non official part time directors on the Board of Directors of Nationalised banks is at Statement (See below).

(c) The non-official directors on the Boards of Public Sector Banks are bound by the "do's and don'ts". They are also bound by the Deed of Covenant furnished at the time of taking of directorship. Reserve Bank of India (RBI) nominee directors on the Boards of the nationalised banks submit a bi-monthly report to RBI in which the functioning of the Board of Directors and also the comments on the working of individual directors is brought out. RBI takes necessary action in case any adverse remarks on any director are noticed.

(d) No complaint has been received by RBI against any of the non-official director appointed by the Government.

Statement

Guidelines for selection of part-time non-official director

The following criteria may be adopted for nomination of part-time non-official directors (NOD) on the boards of public sector banks/financial institutions etc.

(I) GENERAL

1. Nominations will be made keeping in view the provisions of the relevant Acts/Rules.

2. The suitability of nominees may be assessed in terms of formal qualification and expertise, track record, integrity etc. For assessing integrity and suitability, information on criminal records, financial position, civil actions undertaken to pursue personal debts, refusal of admission to or expulsion from professional bodies, sanctions applied by regulators and similar bodies and previous questionable business practices etc. will be relied upon.

3. Persons with special academic training or practical experience in the fields of agriculture, rural economy, banking, "cooperation, economics, business management, human resources, finance, law, marketing, industry and IT will ordinarily be considered.

4. As far as possible representation may also be given to women and the persons belonging to SC/ST community.

(II) EDUCATION

1. An NOD should at least be a graduate. Educational qualifications may be relaxed with the approval of ACC in case of farmers, depositors and artisans.

(III) AGE

1. the age of the Director, on the date of recommendation by Appointments Board, *should not be less than 40 years and preferably below 60 years.* The upper age limit may be relaxed in case of outstanding experts, eminent persons.

(IV) WORK EXPERIENCE

1. Professionals/academicians *should ordinarily have 10 years of work experience* in the particular field.

(V) DISQUALIFICATION

1. A director already on a Bank/FI, under any category, may not be considered for nomination as NOD on any other Bank/FI.
2. Persons connected with hire purchase, financing, investment, leasing and other para-banking activities, MPs, MLAs, MLCs and Stock Brokers will not be appointed as non-official directors on the boards of Banks/Fls.
3. No person may be re-nominated as a NOD on the Board of a Bank/FI on which he/she has served as Director in the past under any category for two terms or six years whichever is longer.
4. An NOD would not be considered for nomination as a Director on the Board of a Bank/FI if such Director has already been a NOD/shareholder-Director on the board of any other Bank/FI for six years, whether continuously or intermittently.

(VI) PROFESSIONAL RESTRICTION

1. NOD will not accept/will not be allotted any work of the Bank/FI for two years after demitting office as Director of that Bank/FI.

2. During his term as NOD on any Bank, such Director will not undertake any professional work (statutory audit, concurrent audit, legal retainership or empanelment as a lawyer etc.) in any other Public Sector Bank.

3. If a person having professional relationship with bank, including cooperative bank, is selected for being nominated on the board of any bank, he will have to sever his connection with the bank before such before such appointment.

4. Professionals shall not be nominated on the Board of a PSB with which they have had a business relationship during the last 3 years before such nomination.

(VII) REGIONAL REPRESENTATION

Effort should be made to ensure representation of all the six zones of the country—North, South, East, West, Central and North-East—on the Boards of Public Sector Banks taken together.

Assistance for Panchayati Raj Institutions in Madhya Pradesh

†1565. SHRIMATI MAYA SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government had to provide financial assistance worth Rs. 505.47 crores to Madhya Pradesh from 2000-01 to 2004-05 for three-tier Panchayati Raj Institutions on the basis of the recommendations made by the Eleventh Finance Commission;

(b) the amount out of the above, that has been made available to Madhya Pradesh; and

(c) if not, when it will be made available?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) Yes, Sir.

(c) A sum of Rs. 454.91 crore was released to Government of Madhya Pradesh upto 31.3.2005, subject to the fulfilment of conditionalities attached to the release of grants and taking into account the pace of utilization of grants upto a prescribed period.

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†Original notice of the question was received in Hindi.